

**STATEMENT OF RICHARD BEAM
DEPUTY DIRECTOR, OFFICE OF PIPELINE SAFETY
RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION**

**BEFORE THE SUBCOMMITTEE ON GENERAL OVERSIGHT AND INVESTIGATIONS
OF THE
HOUSE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS**

MAY 4, 1990

Good morning, Mr. Chairman. I am pleased to be here today to participate in the Subcommittee on Oversight and Investigations hearing on the U.S. Forest Service's actions regarding the right-of-way for a pipeline carrying natural gas across Wasatch National Forest in Utah. The purpose of this hearing is to investigate issues concerning the routing of the proposed "Kern River" natural gas pipeline to be constructed from Wyoming through Utah to California and, more specifically, the proposed routes through the Wasatch National Forest near the City of Bountiful, Utah.

The Research and Special Programs Administration (RSPA), acting through the Office of Pipeline Safety (OPS), has been delegated the responsibility for the administration of the Department of Transportation's (the Department) pipeline safety program. In this testimony, I would like to provide a general description of our program, and the actions and initiatives that we have underway to improve and strengthen the natural gas pipeline safety program. However, I need to point out that Congress has assigned no role to the Department in the decision to build an interstate natural gas

pipeline (a function assigned to the Federal Energy Regulatory Commission), or the location of the route or right-of-way for a pipeline. Our role, which is focused on safety, begins with the design and construction of a pipeline and continues throughout its operating life.

RSPA's Pipeline Safety Program

Two substantially identical statutes provide the framework for our program; the Natural Gas Pipeline Safety Act of 1968 provides for federal safety regulation of facilities used in the transportation of natural gas and other gases by pipeline, and the Hazardous Liquid Pipeline Safety Act of 1979 authorizes the Department to regulate the safe transportation of hazardous liquids by pipelines.

Both Acts provide a regulatory framework for assuring pipeline safety consisting of two parts: (1) exclusive federal authority to regulate interstate pipelines and (2) federal responsibility for regulation of intrastate pipelines with provisions for state assumption of all or part of the intrastate responsibility. The cornerstone of the federal pipeline safety program is this partnership established with the states. Both Acts provide for a grants-in-aid program, the purpose of which is to encourage the states to adopt and enforce the federal regulations for intrastate pipelines. States may also contract with the Department to inspect interstate pipelines, although the Department remains responsible

for the enforcement of the regulations. The RSPA's safety jurisdiction over pipelines covers more than 2,000 operators and 1.6 million miles of gas pipelines, and more than 200 operators and approximately 155,000 miles of hazardous liquid pipelines which transport petroleum, petroleum products, and anhydrous ammonia. The existing federal resources alone, without state involvement, could not adequately ensure the safe operation of all the existing pipeline facilities. As you may know, the State of Utah participates in the gas pipeline safety program.

Under the Department's pipeline safety program, the OPS is responsible for developing, issuing, and enforcing regulations for the safe pipeline transportation of natural (flammable, toxic or corrosive) gas, including associated liquefied natural gas facilities, and hazardous liquids (crude oil, petroleum products, anhydrous ammonia, and carbon dioxide) by pipeline. The regulations are designed to assure safety in design, construction, testing, operation, maintenance, and emergency response of pipeline facilities. In support of these regulatory responsibilities, and in addition to managing the Federal/State pipeline safety partnerships, OPS collects, compiles, and analyzes pipeline safety data and conducts training programs for government and industry personnel in the application of pipeline safety regulations. The OPS also conducts a pipeline safety research program to support regulatory and enforcement activity and to provide the necessary

basis for planning, evaluating, and implementing the natural gas and hazardous liquid pipeline safety programs.

With respect to the OPS inspection and enforcement program, the nation is divided into five regions. Each region is responsible for monitoring the performance of the state agencies participating in the Federal/State pipeline safety program, performing inspections of interstate gas and hazardous liquid pipeline systems and the intrastate facilities under direct federal jurisdiction. The OPS office in Denver, Colorado, is responsible for monitoring the natural gas pipeline safety program in Utah. The State of Utah participates in the Federal/State natural gas pipeline safety program (inspects and enforces regulations for intrastate pipelines) and has taken on additional responsibilities as an interstate agent for the Department (inspects for compliance with regulations for interstate pipelines with enforcement by OPS).

As an interstate agent, the Utah Pipeline Safety Office is responsible for 17 natural gas interstate inspection units and will become responsible for inspection of the "Kern River" pipeline during its construction. When it becomes operational the state will be responsible for overseeing its operation and maintenance.

There are about 290,000 miles of transmission pipelines transporting natural gas for eventual use by nearly 55,000,000 customers. In the past 5 years, the accident statistics for gas

transmission pipelines included 464 failures, 35 fatalities, and 75 injuries. A chart listing data for the years 1985 through 1989 is attached. The greatest risk to all pipelines is from outside force damage involving third parties, such as excavators. Approximately 40 percent of these accidents resulted from third party damage.

Actions and Initiatives

The OPS has a number of actions underway to strengthen the natural gas pipeline safety program.

The OPS has initiated a new risk-based inspection program which would allow: annual prioritizing of inspection units based on risk; a flexible work plan for inspection of new construction, indepth accident investigations, follow up inspections, and special task force investigations. In addition, the plan allows time for our inspection staff to provide additional guidance and assistance to states, such as Utah, which act as our agents for inspecting interstate pipelines. This new plan will help ensure that new construction of interstate pipelines is inspected more thoroughly and in a consistent manner.

In the Fiscal Year 1991 budget request to Congress, we have asked for additional inspector positions to begin implementation of the new risk-based inspection plan. Two of these inspector positions are planned for the Western Region.

The OPS is preparing a notice of proposed rulemaking, as required by the Pipeline Safety Reauthorization Act of 1988, seeking comments on proposals that new or replaced gas transmission lines be designed to accommodate the passage of internal inspection devices. Such devices detect changes in wall thickness of the pipeline, called anomalies, caused by internal and external corrosion.

In addition, the Pipeline Safety Reauthorization Act of 1988 requires OPS to prepare requirements for the establishment, operation and enforcement of one-call notification programs for adoption by the states. Because excavation damage is the largest single cause of accidents to underground gas pipelines, enhancement of one-call systems is an important safety initiative. As you may know, Utah has had for a number of years a system providing damage prevention for underground utilities.

Conclusion

In conclusion, although the Department has no role in determining the location of a pipeline, we do exercise, in conjunction with Utah, a full array of authorities under the Natural Gas Pipeline Safety Act of 1968 to assure the safety of the Kern River pipeline. Those authorities will apply initially to its design and construction, and then throughout the operating life of the pipeline. I think that it is also important to note that although pipeline transportation has an excellent safety record, the OPS and its state partners, with extensive support from Congress, are continually working to better this record.